

# **Myth versus Fact: How the Affordable Care Act Provides Patient Protections, Lowers Health Care Costs**

Thanks to the Affordable Care Act, 165 million Americans with private insurance and 48 million seniors and disabled Americans with Medicare are experiencing better coverage and enjoying lower health care costs or seeing costs grow more slowly.

In the two years since this landmark law was signed, Republicans have called for – and voted for – repealing patient protections, ending the Medicare guarantee, and raising health care costs for seniors by \$6000 per year, while spreading blatant misinformation about the new law.

Here's a look at how Republican rhetoric during the debate over health care reform stands up to reality (HINT: It doesn't.):

**GOP Myth:** Health care reform will add to our deficit and does nothing to bring down costs of health care.

**Fact:** Health care reform will reduce the deficit and is slowing the growth of, and in some cases lowering, the costs of health care for middle-class families and seniors:

- The Congressional Budget Office found that health care reform will reduce the deficit by \$124 billion over the next 10 years and by more than \$1 trillion over the following 10 years.
- Medicare premiums and deductibles have decreased, held steady, or seen their lowest increases in years:
  - The 2012 Part A deductible increased by \$24 since 2011– well below previous year increases and inflation.
  - The 2012 Part B deductible decreased by \$22 since 2011, and premiums were 6% lower than projected.
  - 2012 Medicare Advantage premiums decreased by 7% from 2011, and are 16% lower than pre-Affordable Care Act levels.
  - Part D premiums held steady, with no increase to the average premium since 2011.
- Medicare beneficiaries also saw lower out-of-pocket costs for benefits and services:
  - More than 5.1 million seniors and people with disabilities on Medicare saved over \$3.2 billion on prescription drugs, an average of \$635 per person.
  - 32.5 million beneficiaries received free preventive services, including mammograms and colonoscopies.
- Private insurance premium growth has slowed:
  - CBO projects 5.7% per year increases versus the average 9% per year growth seen in 2000-2005.

**GOP Myth:** Health care reform will hurt our economy and small businesses.

**Fact:** Our economy has continued to see private sector job growth, and small and large businesses are benefiting from provisions that help them provide quality, affordable health care coverage to their employees.

- Since the Affordable Care Act was signed into law, the economy has created 3.5 million private sector jobs, including 488,000 jobs in the health care industry. The unemployment rate is 8.3%, lower than it was in March 2010.
- 360,000 small businesses have taken advantage of tax credits that are making health insurance more affordable for 2 million workers. As many as four million small businesses are eligible for these credits.
- And over 2,800 employers are participating in the Early Retiree Reinsurance Program, which is helping provide coverage to 13 million early retirees who are not yet eligible for Medicare.

**GOP Myth: Health care reform will lead to a government takeover of health care**

**Fact:** This claim was rated “[lie of the year](#)” by the non-partisan group Politifact.

- Health care reform expands private health insurance in America, and is based on increasing choice and competition – providing for new marketplaces called Insurance Exchanges, where the uninsured, small business employees and the self-employed will be able to choose among a variety of private insurance plans.

**GOP Myth: The Affordable Care Act will ration seniors’ health care and cut seniors’ benefits.**

**Fact:** Unlike the Republican budget that ends the Medicare guarantee and raises health care costs for seniors, health care reform has strengthened Medicare – lowering costs and increasing benefits.

- Politifact ranked the claim that health care reform will ration seniors’ health care as “[false](#).”
- The Affordable Care Act cut the rate of Medicare growth, and reinvested savings into Medicare and health care in general. Politifact points out, “Under the act, Congress voted to reduce \$500 billion in projected Medicare spending over the next 10 years, not in one substantial chunk. The reductions are aimed at eliminating parts of the Medicare program seen as ineffective or wasteful.”
- Republicans voted three times in favor of a budget that cut the exact same amount, but didn’t reinvest any of those savings in Medicare or health care generally.
- The Republican budget increases health care costs for seniors by \$6,000 per year and ends the Medicare guarantee – turning Medicare over to private insurance companies without a guarantee that these private plans must match or exceed Medicare’s benefit package.
- The Affordable Care Act is expanding, not cutting, Medicare benefits.
  - More than 5.1 million people saw expanded prescription drug benefits – those who fell into the donut hole received a one-time \$250 rebate check and 50 percent discount on their covered brand name prescription drugs.
  - Millions of people with Medicare have enjoyed expanded prevention and wellness benefits – 32 million have received free preventive services and 2.3 million seniors in traditional Medicare have received a free annual wellness visit.
  - And more seniors are experiencing growth in Medicare Advantage options, with enrollment increasing by 10% this year, and by 17% since the Affordable Care Act was enacted.